

Closing the Window of Opportunity: The Impact of the Governor's Proposed 2013-14 New York State Budget on New York City's Women, Youth and Families



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Introduction

A budget is one of the principal ways in which governments express their priorities and values. With this in mind, each year The New York Women's Foundation, in partnership with the Fiscal Policy Institute, reviews the proposed Governor's Budget to determine its impact on New York City's women, youth and families.

When viewed with a gender lens, the Governor's 2013-2014 budget impacts New York City's low-income women and their families in many ways, from decreased resources for low-income women seeking to get a foothold in the job market, to reduced funding for a wide range of essential support services, including access to child care. **These proposed budget cuts, coupled with a weak recovery and sharp increases in poverty levels in NYC, further destabilize those most in need. Over the last three years, poverty rates in NYC increased by 2.7 percentage points, resulting in the highest poverty level in over a decade. Since the start of the recession in 2008, 200,000 more New York City residents have fallen into poverty, bringing the total to 1.7 million.**

In the proposed 2013-14 NYS budget, state operating spending is projected to increase by a modest 1.6 percent, less than the projected rate of inflation. Funding for many programs benefiting women and children are reduced or held steady at best. If enacted, these cuts will negatively impact programs serving mothers of young children, youth, seniors, homeless families, the LGBTQ community, and other vulnerable and special needs populations

State budget and economic policies are particularly critical to women because women are more likely to be poor and low wage workers, to be responsible for child rearing and care for the elderly, and to have jobs providing services funded by government. Grouped in the three areas identified to be key determinants in moving women out of poverty and toward economic security: Anti-Violence and Safety, Economic Security, and Health, Sexual Rights and Reproductive Justice, the proposed budget cuts include:

I. Anti-Violence and Safety

Dramatic cuts may result in significant loss of shelters, resulting in increased homelessness for victims of domestic violence, HIV/AIDS infected persons and homeless youth.

\$1.2 million in funding for *non-residential domestic violence screening* is zeroed out in the proposed state budget. As recently as 2010, such services were funded at a \$3 million level.

Funding for the *Runaway and Homeless Youth* program is cut by \$210,000 (8.5 percent) to \$2.36 million, increasing vulnerability amongst a highly marginalized youth population with further disproportionate impact on LGBTQ youth.

Funding for *three homeless prevention programs* (NYS Supportive Housing Program, Solutions to End Homelessness Program, and Operational Support for AIDS Housing Program) is reduced by \$1.6 million (5.3 percent) to \$28.7 million at a time when unemployment remains high and the pace of economic growth is restrained by austere federal spending.

II. Economic Security

Proposed cuts will dramatically limit the ability of low-income women to obtain jobs and support services that help move them and their families out of poverty.

The proposed budget entirely eliminates funding for the *Wage Subsidy Program*, which supports transitional employment programs to help disadvantaged workers gain valuable employment experience. The program received nearly \$20 million in the 2008-10 recession period but had been reduced to \$950,000 in each of the last two years before being zeroed out in the current budget proposal.

Similarly, \$750,000 in funding for the *Career Pathways* program is zeroed out in the proposed budget. Career Pathways is a workforce development strategy geared to disadvantaged workers that links basic education to occupational training to build skills and develop the necessary credentials to advance up a specific career ladder. This program had received \$25 million in funding since 2008. The elimination of all funding will limit economic mobility for hundreds of low-income women workers.

The *Displaced Homemaker Program*, which has been funded at \$546,000 a year for the past two years, is de-funded in the proposed budget. Started in the 1970s, this program provides a continuum of support services for women who are primary caretakers in the home and who have experienced a loss of income due to separation, divorce, disability, or death of an income-producing family member. The elimination of the displaced homemaker program will make it difficult for many women to get a foothold in the job market.

Overall funding for *child care subsidies* is reduced by \$5.3 million in the Executive budget to \$842.8 million. When inflation is factored in, the real funding reduction in this high needs program area is \$21.4 million, a reduction that makes it much harder for many low-income families to access quality child care at a reasonable cost.

Again this year, *cost-of-living adjustments (COLA)* for workers in non-profits that contract with the state to provide human services, public health, mental health and developmental disability services, are deferred in the proposed budget. As the Human Service Council has pointed out, this is the fifth year in a row that providers will not receive a COLA. The cumulative effect of those five years of deferrals totals 9.7 percent. Three-quarters of affected workers are women.

III. Health, Sexual Rights and Reproductive Justice

Proposed cuts would reduce and/or eliminate critical services that protect children and provide essential health awareness and preventive services, proven to reduce incidences of HIV/AIDS transmission, child abuse, and to improve health outcomes for women and families.

The *Nurse-Family-Partnership (NFP)* home visiting program was reduced to \$2 million in funding in last year's budget from \$5 million in 2009-10, and is proposed for elimination again. Research shows that the Nurse-Family-Partnership program has been successful in reducing child abuse, resulting in significant cost savings to state and local governments.

The proposed budget eliminates funding for *Court Appointed Special Advocates (CASA)*. While this program is administered by the Office of Court Administration, it provides a court appointed advocate to help children in cases of abuse and neglect. In 2012, \$800,000 in funding helped 3,300 children by assuring that their physical, mental health and educational needs were met.

The proposed budget entails a \$40 million reduction (10 percent) in funding for 89 *health awareness and prevention programs* through their combination into six competitive pools. Affected programs include: maternal and child health and nutrition, HIV and AIDS, health quality/outcomes/advocacy, and workforce training.

IV. Legislative Initiatives Aimed To Increase Women's Economic Security

Although there are no direct implications for the 2013 - 2014 state budget, the Governor has proposed two legislative initiatives which, if enacted, will increase economic security for women and their families throughout New York State.

Minimum Wage Increase

The Governor has proposed increasing New York State's *minimum wage* from the \$7.25 federal level to \$8.75 an hour. Presently, nineteen states and the District of Columbia have a higher minimum wage than New York. An increase in the minimum wage would benefit 1.6 million New York workers, 54 percent of whom are women, with blacks and Hispanics accounting for 40 percent. (Women are 64 percent of those earning right at the current minimum wage level.)

10-point Women's Equality Agenda

In his 2013 State of the State Address, Governor Andrew Cuomo advanced an extensive set of initiatives to further equality and fairness for women. Many aspects of his 10-point Women's Equality Agenda strengthen existing state laws pertaining to pay equity, anti-discrimination, protecting victims of domestic violence, and protecting women's reproductive freedom. Legislation to implement the agenda is still under development but the agenda should receive considerable attention in the weeks after the budget is enacted. (The state's fiscal year begins April 1.)

The New York Women's Foundation (www.nywf.org) was established in 1987 as a public philanthropy to be a voice for women and a force for change. We are a cross-cultural alliance of women catalyzing partnerships and leveraging human and financial capital to achieve sustained economic security and justice for women and girls. With fierce determination, we mobilize hearts, minds and resources to create an equitable and just future for women, families and communities in New York City.

The Fiscal Policy Institute (www.fiscalpolicy.org) is an independent, nonpartisan, nonprofit research and education organization committed to improving public policies and private practices to better the economic and social conditions of all New Yorkers. Founded in 1991, FPI works to create a strong economy in which prosperity is broadly shared.